UNITED NATIONS

DP

Executive Board of the United Nations Development Programme and of the United Nations Population Fund

Distr.
GENERAL

DP/CCF/GHA/1
7 November 1997

ORIGINAL: ENGLISH

First regular session 1998
19-26 January 1998, New York
Item 5 of the provisional agenda
UNDP

UNDP: COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS

FIRST COUNTRY COOPERATION FRAMEWORK FOR GHANA (1998-2000)

CONTENTS

		Paragraphs	Page
INTRODUCTION		1 - 3	2
I.	DEVELOPMENT SITUATION FROM A SUSTAINABLE HUMAN DEVELOPMENT PERSPECTIVE	4 - 11	2
II.	RESULTS AND LESSONS OF PAST COOPERATION	12 - 16	4
III.	PROPOSED STRATEGY AND THEMATIC AREAS	17 - 43	4
	A. Poverty reduction	18 - 23	5
	B. Capacity development and utilization	24 - 41	6
	C. Gender as a cross-cutting theme	42 - 43	9
IV.	MANAGEMENT ARRANGEMENTS	44 - 49	10
Annex.	Resource mobilization target table for Ghana (1998-2000)		11

97-30799 (E) 121297

INTRODUCTION

1. The first country cooperation framework (CCF) for Ghana, which covers the period 1998-2000, is based on the Government's long-term objective of accelerated economic and social growth, as stated in the National Development Policy Framework (NDPF) 1996-2020 and "Ghana Vision 2020".

2. Based on the UNDP advisory note, extensive consultations with representatives of other development partners, United Nations system agencies and non-governmental organizations (NGOs), as well as the recommendations of the 1995 mid-term review of the fifth country programme (1993-1996), the first CCF outlines the areas of focus for UNDP support agreed to by the Government of Ghana and UNDP as representing the most appropriate and effective use of UNDP resources.

3. While the CCF had been formulated by September 1997, it became apparent that the necessary clearances from the Government would not be obtained in time to present the document to the Executive Board at its third regular session 1997. Under these circumstances, the Administrator found it necessary to extend the period of the fifth country programme to cover the year 1997. The Administrator wishes to bring this to the attention of the Executive Board at its current session. During 1997, a large carry-over of indicative planning figure funds from 1996 permitted the termination of project activities continuing from the previous programming cycle, as well as the preparation of programmes for the first CCF (1998-2000).

I. DEVELOPMENT SITUATION FROM A SUSTAINABLE HUMAN DEVELOPMENT PERSPECTIVE

4. A series of economic recovery and structural adjustment measures supported by the World Bank, the International Monetary Fund and other donors have resulted in marked achievements in the areas of economic stabilization, the rehabilitation of national productive capacities and infrastructure, and trade liberalization. Real gross domestic product grew at an average of 5 per cent per annum between 1984 and 1991, before declining to 4 per cent in the following years. The Government is aware that despite the successes of the economic reform, the desired impact on the standard of living and the quality of life for most of the population is yet to be realized. However, Ghana's socio-economic transformation must be viewed as a long-term process that is still evolving. Towards this end, the long-term development objectives for Ghana, as contained in the National Development Planning Framework, are "... to reduce poverty, increase employment opportunities and average incomes, and reduce inequities in order to improve the general welfare and the material well-being of all Ghanaians".

5. A 1995 study by the World Bank on poverty in Ghana in the past, present and future reveals that about 35 per cent of Ghanaians live below the poverty line, with some 7 per cent living in absolute poverty. Although poverty may be found nationwide, the most affected are the rural poor, with the hardest hit group being those who live in the natural resource poor savannah areas. High

fertility and declining mortality rates have also resulted in a population growth rate of 3 per cent per year, adversely affecting the provision of basic social services. In addition, according to the most recent living standards surveys by the Ghana Statistical Service, some 90 per cent of the labour force work in the informal sector, the majority in smallholder agriculture with low productivity.

6. The transformation of the economy into a free market brought with it societal changes. In some of the larger cities, some adverse social consequences of uncontrolled urbanization are beginning to manifest themselves in various forms, including begging and the emergence of street children, juvenile delinquency and child labour. Recent studies as well as the country strategy note have revealed the need to address problems of unemployment and credit facilities as well as access to those facilities by the urban and the rural poor.

7. Unemployment continues to be a major concern of the Government. As part of the policy of reducing government expenditure and improving public sector performance, approximately 200,000 public sector employees were retrenched and retrained between 1983 and 1995. It was envisaged that the private sector could absorb much of this labour, but with its limited elasticity, the pace of job creation has been slow.

8. Although women have benefited from the economic reforms, particularly through women-specific projects, they have also borne the brunt of the negative effects of structural adjustment because of their vulnerable socio-economic position. According to the latest Ghana Living Standards Survey, 33.4 per cent of households in the poorest group are headed by women. Also, women continue to have less access to social services such as education and health, credit, technology and extension services. Of major concern is the low enrolment status of girls at all levels of education.

9. Some of the major environmental issues Ghana faces are soil degradation, deforestation, and the impact of mining activities, water contamination and poor sanitation on health. Despite attempts by the Government to ensure the sound management of resources, the environment continues to be degraded by logging activities, the demand for fuelwood, and farming and grazing. The increasing pressure of a rising population, migration and urbanization have also exacerbated the environmental problem. Rapid population growth in the rural areas has pushed more and more people into poverty and has intensified their dependence on forestry and mining for their livelihoods.

10. Considerable progress has been made in the transformation of the traditional mixed economic structures to a liberal democratic political structure. Democratic elections were held successfully in December 1996 and the principles of checks and balances in executive power, independence of the judiciary, press freedom and the rule of law are all gradually being affirmed.

11. While the country has achieved some successes in its democratic and economic reforms, capacity for popular participation and access to options and resources resulting from macroeconomic policies and the democratization process

are vigorously being pursued, with the support of civil societies and development partners.

II. RESULTS AND LESSONS OF PAST COOPERATION

12. The fifth country programme for Ghana (1993-1996) was designed to assist Ghana's economic development in three priority areas: (a) capacity-building for development management; (b) support for the private sector and science and technology; and (c) participatory development and poverty alleviation.

13. Among the achievements of the programme is the development of institutional and human capacities at the policy-making and operational levels. To promote the conditions of the programme approach, the Government, supported by UNDP and other multi- and bilateral agencies, undertook a number of relevant diagnostic studies and reviews in major policy and programme areas, including capacity development and utilization; private sector development; scientific and technological transformation; and poverty alleviation and decentralization. In addition, sectoral studies were conducted in the areas of agriculture, education, health, transport, and the status of women.

14. These collaborative interventions within the national policy framework helped to mobilize about $10 million in external support. Cost-sharing funds of about $1 million were mobilized from the World Bank and the Governments of Switzerland and the Netherlands for four projects between 1992-1994, and parallel financing amounting to $9 million was obtained from the United States Agency for International Development to supplement ongoing UNDP assistance to the Central Region Integrated Development Programme.

15. The Government's commitment to national execution and the programme approach was exhibited by internalization of the modalities, culminating in a Ghana-specific manual to guide users, and the transfer of management of its first programme approach document (Support to National Capacity Development and Utilization Programme (GHA/93/004)) to the Private Enterprise Foundation, a private sector institution. This $5.2 million programme has over five implementing agencies from Government, private sector and NGOs.

16. From its fifth-cycle programme, the Government has learned that: (a) programme delivery could be more effective when mandates of public institutions are clear; (b) fragmented projects clustered under the three thematic areas in the fifth cycle did not make for complementarity of linkages between programmes and their components, which the programme approach was intended to facilitate; and (c) the lack of specific quantitative targets was a constraint to an impact assessment of the programme.

III. PROPOSED STRATEGY AND THEMATIC AREAS

17. The Government recommends that the foremost strategic objective for UNDP during the period of the first CCF be to assist the country in promoting sustainable human development, with poverty eradication as its main focus. Two

thematic areas have been identified as areas of priority, poverty reduction and capacity development and utilization, with gender as a cross-cutting theme.

A. Poverty reduction

18. Building on the national framework for poverty reduction prepared with the assistance of UNDP, a programme support document has already been finalized through the collaborative work of United Nations agencies and various programme stakeholders and was approved by the Government in January 1997.

19. At the upstream level, programme implementation, which is now under way, will seek to emphasize the strengthening of the national management capacity of the National Development Planning Commission, Ministry of Local Government and Rural Development, District Assemblies, etc., for policy analysis and developmental promotion of participatory methodologies. The capacities of the Ghana Statistical Service and the Institute of Statistical, Social and Economic Research will be enhanced for annual tracking and monitoring of poverty reduction programmes and through publication of a national human development report.

20. At the downstream level, where the bulk of programme resources will be utilized, the programme will support the testing of the above-mentioned participatory methodologies within five selected districts. It will increase the availability of basic services and enhance the capacity of the poor to gain access to, use, manage and maintain these services and to provide resources for community-based initiatives. The capacities and resources of NGOs, community-based organizations and the private sector will be strengthened to enable them to participate fully in the new opportunities for income and employment generation.

21. Access of women to infrastructure and skills development (leadership, entrepreneurship, vocational, etc.) will be improved. Women's legal and civic awareness will be promoted and incentive packages will be introduced to promote girls' education.

22. UNDP will collaborate with the other development partners, such as the African Development Bank (AfDB), the World Bank and others, in supporting the Government's efforts to establish a Social Investment Fund to facilitate the institutionalization of an easily accessible fund for sustainable community development projects and private sector initiatives. Already, feasibility studies are under way, in partnership with AfDB, the United Nations Educational, Scientific and Cultural Organization, the Food and Agriculture Organization of the United Nations, the International Labour Organization, the United Nations Industrial Development Organization, the World Bank and UNDP. It is envisaged that the pro-grass-roots focus and access to credit by the poor will be the mainstay of the Fund.

Expected results

23. Results expected in this thematic area include: (a) strengthened institutional capacity of the National Development Planning Commission, the

Ministry of Local Government and Rural Development, the Ghana Statistical Service and the Institute of Statistical, Social and Economic Research to mainstream poverty issues into economic and social policy-making, coordinate efforts and monitor the progress of the poverty reduction programme, including the capacity of District Planning Coordinating Units to synchronize effective, self-driven and self-evaluative mechanisms; (b) increased community participation and strengthened capacity in identification, implementation and monitoring of development programmes; (c) the promotion of an enabling environment for private sector and grass-roots initiatives to facilitate the generation of and access to productive employment; and (d) accessible and sustainable institutionalized systems of credit for the poor.

B. Capacity development and utilization

24. During the fifth country programme, UNDP helped the Government to formulate a national capacity development and utilization programme that seeks to develop and rationalize the use of the nation's capacity for accelerated economic growth and sustainable human-centred development in five priority areas: (a) public policy development; (b) private sector promotion; (c) public sector management; (d) decentralization; and (e) human resource management.

25. Under the national capacity development and utilization theme, UNDP will provide support to three interrelated but distinct programmes in the area of: (a) promotion of the private sector; (b) governance and public sector management; and (c) environment and natural resources management.

Promotion of the Private Sector Programme

26. UNDP interventions in this area will continue to include implementation of ongoing support to the private sector component of the national programme (GHA/93/004). The central objective is to promote entrepreneurship development, particularly in the area of small- and medium-scale enterprises in three sectors - non-traditional exports, tourism, and construction - to increase employment and generate sustainable livelihoods. Implementation of this three-year programme began in January 1996. Based on the experience gained in administering micro-credit, the Government would like to expand the credit component of this programme into a full-scale MicroStart programme.

27. The programme has already created a national forum for collaboration among public and private sector institutions involved in employment issues. By bringing together these institutions, the programme intends to facilitate national consultation and linkage-building, an optimum decision-making process, a participatory policy-making process, and coordinated resource mobilization.

28. Further support for the expansion of programme activities will include: (a) re-examination of the laws and regulatory instruments within the liberalized economic environment; (b) the promotion of private/public sector dialogue through a national advocacy plan; and (c) the promotion of the diversification of exports through the concept of rural-based export production villages.

29. In addition, UNDP will collaborate with the Government and other development partners to translate the draft national employment policy, prepared under the completed Umbrella Programme for Sustainable Employment Generation (GHA/89/007) and approved by Cabinet in 1996 and the National 15-year Tourism Development Masterplan, prepared under the integrated tourism development project (GHA/92/013) in 1996, into concrete national plans of action.

Expected results

30. The results expected from the programme include: (a) enhanced employment opportunities and the expansion of the supply of goods and services; (b) a Private Enterprise Foundation that has been strengthened to the point that it has been able to establish mechanisms for regular national dialogue among the public and the private sectors; and (c) improved local capacity for micro-finance services.

Governance and Public Sector Management Programme

31. The Government views the promotion of good governance and effective public sector management as the pillars for its accelerated economic growth, as articulated in "Ghana Vision 2020". A number of economic and democratic reforms have been initiated. The economic recovery programme has halted economic decline and growth has resumed. At the political and constitutional level, considerable progress has been made. A new Constitution was adopted in 1992 and elections for Parliament and the Presidency were conducted successfully in 1992 and 1996, respectively. Parliament is now made up of several parties, representing 200 constituencies. To ensure local participation in the development process, a decentralization policy is being pursued through 110 districts, each with its own Assembly.

32. Independent constitutional commissions have been established, namely: the Commission on Human Rights and Administrative Justice, to ensure the promotion and oversight of human rights and to carry out the duties of an ombudsman; the National Media Commission, to promote freedom of the media and responsible practices; the National Electoral Commission, to prepare and ensure free and fair elections; and the National Commission for Civic Education, for the promotion of responsible citizenship and good governance.

33. To sustain these efforts and to promote the effective functioning of all organs and consensus-building at all levels, there is a need to build capacities in all branches of the Government, districts and the private sector, as well as in civil society organizations. While support provided by other development partners is ongoing in selected areas, the Government would like to use UNDP resources as seed money in developing a national governance programme, which would articulate the needs and priorities of the Government for more focused and coordinated support.

34. UNDP will also collaborate with other development partners in the implementation of the public sector reforms, particularly the National Institution Renewal Programme and the Civil Service Project Implementation Programme, which aim at developing an efficient and accountable public sector.

35. In addition, UNDP will support:

(a) Parliament, through the provision of library and research facilities, training programmes and an effective communication system, to enable the public to participate in the legislative process;

(b) The Judicial Service, to enable it to review its laws and rid the statute books of obsolete laws that infringe on human rights and to modernize and upgrade the justice system at national and district levels;

(c) Promotion of civic education and human rights programmes through the National Commission for Civic Education, the Commission on Human Rights and Administrative Justice, NGOs and civil society organizations, including the media. Support will also be provided for the promotion of the emerging area of development journalism (economic, legal and political, etc.), aimed at ensuring more analytical and focused investigative reporting in support of national accountability and transparency. The decentralization process will be facilitated by promoting sound practices in the development and management of democratic local self-government;

(d) Measures to ensure accountability of external resources, by strengthening the Aid Coordination Unit within the Ministry of Finance in the area of the production of timely reports and other relevant information.

Expected results

36. At the end of the programme it is expected that: (a) the capacity of the National Institutional Renewal Programme and the National Development Planning Commission will have been strengthened to manage the reform programmes; (b) there will be greater participation of the public in the legislative process; (c) the capacity of the judicial system will have been modernized and enhanced to rid the statute books of obsolete laws that infringe on human rights and will be able to deliver effective and timely justice; (d) a sustainable training mechanism for local governments will have been put in place and the decentralization process will be effectively managed and coordinated; (e) the participation of civil society in the development process will have been enhanced; and (f) measures to ensure accountability of external resources will be operational.

Environment and Natural Resource Management Programme

37. The Government views long-term economic development through the sustainable use of natural resources as a top priority. UNDP resources will be used to support government policies directed towards maintaining sustainable and environmentally sound policies aimed at harmonizing economic and social development goals with the management of the environment. These policies are expected to reverse the trend of environmental degradation caused by ineffective agricultural practices, inappropriate harvesting of forest products, and the expansion of manufacturing, including mining and construction, which has led to soil, water and air pollution.

38. The primary focus is to strengthen the capacities of people who work in institutions and are involved in the area of environmental management. UNDP will help the Government to address the problem of the issue of solid waste management in urban areas within the overall context of poverty reduction. NGOs will be equipped with basic skills to undertake environmental education at the community level, with the aim of reducing environment-related diseases.

39. Under the National Capacity 21 Programme, UNDP will assist Ghana to develop local-level capacities to integrate environmental considerations into district-level planning, as well as enhance the capacity of decentralized organizations to establish management information systems for sustainable development.

40. Responding to international conventions on the environment, UNDP will help the Government to protect biodiversity and natural habitats and to address issues related to climate change, the reduction of pollution in international waters and the protection of the ozone layer. These issues will be addressed through Global Environment Facility (GEF)-related projects in the following areas: (a) building capacity in sub-Saharan Africa to respond to the United Nations Framework Convention on Climate Change; (b) renewable energy-based electricity for rural social and economic development in Ghana; (c) water pollution control and biodiversity conservation in the Gulf of Guinea's large marine ecosystem; (d) institutional strengthening of ozone-depleting substances; (e) the GEF Small-Grants Programme; and (f) the Africa 2000 Programme.

Expected results

41. At the end of the programme, it is envisaged that the capacity of district-level institutions and NGOs involved in environmental management will have been enhanced, there will have been an increase in the reduction of greenhouse gas emissions, and environmental degradation will have decreased.

C. Gender as a cross-cutting theme

42. UNDP will assist the Government in its efforts to mainstream gender concerns through capacity-building and advocacy. While gender issues will be incorporated into all the programme areas, UNDP will also support the development of a comprehensive gender programme as a specific post-Beijing intervention, in order to assist the Government in its formulation and implementation of a National Plan of Action for implementing the Beijing Platform for Action that will focus on encouraging the participation of women in politics and national development and strengthening the capacity of national women's groups for advocacy, policy formulation, analysis and coordination of gender issues.

Expected results

43. In the area of gender, it is expected that: (a) the capacity of the National Commission and groups and organizations that address the concerns of women will have been enhanced in the areas of advocacy, policy formulation and analysis, and coordination; (b) women's participation in politics and national

development will have increased; and (c) the protection and promotion of the human rights of women and the girl child will have been strengthened.

IV. MANAGEMENT ARRANGEMENTS

44. To promote national management capacity and ownership of programmes, national execution will continue to be the main mode of project execution. This execution modality will be expanded to involve national training, research and management institutions, as well as NGOs.

45. The International Economic Relations Division will be responsible for the overall review, monitoring and evaluation of the programmes under the first CCF. However, in order to ensure sustainability and continuity, the responsibility for implementation will rest with the relevant government ministries and institutions, private sector bodies, NGOs, community-based organizations and other national institutions, through special contractual management arrangements. The disbursement of funds, financial reporting and auditing will be carried out in line with the rules and procedures for nationally executed programmes.

46. In pursuance of national execution, the comparative advantage of United Nations specialized agencies will be fully exploited for programme implementation, monitoring, annual programming missions, reviews and the sourcing of experts. Greater emphasis will be placed on the Transfer of Knowledge through Expatriate Nationals mechanism and on forging further South/South cooperation under the technical cooperation among developing countries modality. Both international and national United Nations Volunteers will be used in the implementation of the poverty reduction programmes.

47. Formal assessments of the progress of programme implementation, including impact and sustainability, will be made periodically, in accordance with agreed benchmarks. In addition, independent consultants will be engaged periodically to undertake objective assessments of the programmes.

48. The CCF will be subject to annual reviews to ensure that the objectives and programme areas remain relevant to national needs and development priorities. All beneficiaries will be able to ascertain the relevance of the CCF through the annual reviews. In addition to the annual reviews, the Government and UNDP will undertake an in-depth evaluation of the CCF in the third year of implementation.

49. The annex provides an overview of core and non-core resources targeted for the period covered by the first CCF. Efforts will be made to mobilize additional resources through both cost-sharing and parallel financing.

Annex

RESOURCE MOBILIZATION TARGET TABLE FOR GHANA (1998-2000)

(In thousands of United States dollars)

Source	Amount	Comments
UNDP CORE FUNDS		
Estimated carry-over	5 720	
TRAC 1.1.1	6 980	Assigned immediately to country.
TRAC 1.1.2	0 to 66.7 per cent of TRAC 1.1.1	This range of percentages is presented for initial planning purposes only. The actual assignment will depend on the availability of high-quality programmes. Any increase in the range of percentages would also be subject to availability of resources.
SPPD/STS	674	
Subtotal	13 374[a]	
NON-CORE FUNDS		
Government cost-sharing	1 000	
Sustainable development funds	3 807	
	of which:	
Global Environment Facility	2 900	
Montreal Protocol	107	
Capacity 21 in Ghana	800	
Third-party cost-sharing	2 500	
Funds, trust funds and other	75	Edna McConnel Clark Foundation
Subtotal	7 382	
GRAND TOTAL	20 756[a]	

[a] Not inclusive of TRAC 1.1.2, which is allocated regionally for subsequent country application.

Abbreviations: SPPD = support for policy and programme development; STS = support for technical services; and TRAC = target for resource assignment from the core.